

**Pay Parity for Federal Employees Serving at
Joint Base McGuire/Dix/Lakehurst**

**Presented By:
Congressman John Adler
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Introduction:

Joint Base McGuire/Dix/Lakehurst is one of the first joint base initiatives in the country. As the bases continue to transition, obstacles arise that need to be resolved in order for the joint base to accomplish its mission. Congressman Adler is dedicated to working with the joint base and his colleagues in Congress to assist with a smooth transition.

Base Realignment and Closure is the process the Department of Defense (DOD) uses to reorganize and encourage new ways of doing business. As part of BRAC 2005, McGuire Air Force Base (AFB), Fort Dix, and Lakehurst Naval Engineering Station (NAES) were to combine into one Joint Base.

The new Joint Base McGuire/Dix/Lakehurst (JB-MDL) is one of 12 joint bases, and is unique in a couple of ways.

1. It is the only tri-service installation, combining major Air Force, Army, and Navy installations into one Joint Base. The new joint base includes the former McGuire AFB, Fort Dix, and Lakehurst NAES.
2. It is the only joint base that crosses over two separate locality pay¹ areas affecting civilian employee² pay. The former McGuire AFB (Air Force) and Fort Dix (Army) are located in Burlington County, which is in the Philadelphia pay area (21.25% locality pay) and the former Lakehurst NAES (Navy) is located in Ocean County, which is in the higher New York pay area (27.96% locality pay).

When new joint bases are established, one branch of service serves as the 'lead agency'. This means that this service will be responsible for managing the installation in support of all the missions assigned to the joint base. The Air Force is the lead agency for Joint Base McGuire/Dix/Lakehurst (MDL). Accordingly, the Air Force will be responsible for the operations and maintenance of the base to support all the missions of Air Force, Army, and Navy units stationed at Joint Base MDL.

Since the Air Force will be responsible for maintaining the installation, the Army and Navy civilians that have jobs supporting the base (such as civil engineering and medical) will become Air Force civilian employees. The civilian employees that perform work for the Army, Air Force, and Navy units assigned to the base will not convert to Air Force. They will be civilian employees under their current branch of service.

Findings:

Because the Joint Base is made up of installations from two separate locality pay areas (the Philadelphia and New York locality areas), the civilian employees are receiving different pay for similar jobs, depending where they work on the Joint Base. For example, a job under the General

¹ Locality pay is a percentage of civilian employees' annual salary paid above base salary that differs from place to place, depending on local salaries and cost of living.

² The term 'civilian employee' refers to Federal civilian employees paid by either appropriated or non-appropriated federal funds. This term does not apply to employees of federal contractors working on the installation.

Schedule (GS) pay system that is physically located at a unit on the former Fort Dix or McGuire AFB that pays \$49,651 per year, would pay \$52,398 if that same job was assigned to the former Lakehurst NAES. **See Table 1.**

General Schedule Grade/Step	McGuire/Dix (21.25% locality)³	Lakehurst (27.96% locality)⁴	Difference (M/D – L)
GS07/01	\$40,591	\$42,837	(\$2,246)
GS09/01	\$49,651	\$52,398	(\$2,747)
GS11/01	\$60,072	\$63,397	(\$3,325)

Table 1. General Schedule Pay Comparison of McGuire/Dix and Lakehurst.⁵

Additionally, New Jersey has a high cost of living with taxes, insurance rates, and housing costs. Consequently, McGuire and Fort Dix have lost job applicants because they are tied to the lower (Philadelphia) locality pay area to Lakehurst and Fort Monmouth, which are part of the higher New York pay area. Now, with Fort Monmouth closing, approximately 5,400 jobs will be relocated to Aberdeen Proving Ground in Maryland, rather than remaining in South Jersey. Although there are jobs at the new joint base for some of these employees, they cannot afford to live in their current homes and receive the lower (Philadelphia) locality pay that is currently applied to most of the jobs at the joint base.

Research has determined that Joint Base MDL meets the criteria for placement of the joint base into the higher locality pay area of Ocean County. However, this process would take years to complete. Accordingly, in order for this new joint base to operate efficiently and effectively as one cohesive installation, it is essential to have all employees in the same locality pay area as soon as possible.

Recommendations:

Congressman Adler introduced H.R. 2714, *To Ensure Pay Parity for Federal Employees Serving at Joint Base McGuire/Dix/Lakehurst*. This legislation prevents pay issues associated with the merging of the three installations into one joint base. Specifically, the legislation consolidates the Joint Base McGuire/Dix/Lakehurst as one joint installation into Ocean County, which is located in the higher (New York) cost area. Consequently, the legislation will ensure that:

- (1) **No civilian employees lose pay due to the consolidation.** Congressman Adler wants to ensure the civilian employees currently assigned to the Navy at Lakehurst NAES and receiving the 27.96% locality pay, do not experience any lost wages when they transfer to become Air Force civilians under the 87th Air Base Wing.
- (2) **All civilian employees are paid equally for jobs performed regardless of where they work on the Joint Base.** Congressman Adler believes that all civilian employees at the Joint Base be paid equal wages for equal jobs and this legislation

³ <http://www.opm.gov/oca/09tables/html/phl.asp>

⁴ <http://www.opm.gov/oca/09tables/html/ny.asp>

would ensure that employees that perform a job on former Fort Dix will be paid the same as a civilian employee that performs the job on former Lakehurst.

- (3) **The Joint Base McGuire/Dix/Lakehurst offers competitive wages for displaced civilian employees at Fort Monmouth, NJ.** Finally, Congressman Adler's legislation will assist the Department of Defense (DOD) by offering salaries for civilian employment on the Joint Base commensurate with the salaries at Fort Monmouth. If all civilian jobs at the JB are in the higher pay area (currently Lakehurst NAES and Fort Monmouth are in the higher New York cost area), it will encourage dislocated civilians from Fort Monmouth to apply for and commute to jobs at the Joint Base, rather than having to permanently relocate households to bases outside New Jersey. This may prevent expensive moves for DOD, and it keeps families in New Jersey.